

**Meeting:**

On February 22, 2014 from 1:30 - 3:00 PM the Cable Advisory Board had a scheduled meeting in the Friend Room at the Sawyer Free Library.

**Board members in attendance:**

Karen Spencer, Geoff Bradford, Ryan Sawyer, Robert McGillvray, Tom Manning.

**Board members absent:**

Grant Harris.

**Others in attendance:**

Rich Sagall represented Cape Ann TV. Several members of the community were there including Steve Cefalo, Dan Harling, & Lucinda Spiegel.

**Summary of Meeting:**

The purpose of this meeting was to look at the results of our previous two meetings and access the next steps that need to be taken to move forward. Now that there are enough board members to be effective we officially nominated the position of committee chairperson and decided on having a rolling secretary who will be responsible for notes at each meeting. We then decided on action items to move forward. Meeting was recorded by Cable TV.

Using a quadrant (attached to last page of minutes) to explore our options, we discussed possible objectives on two continuums, letter of the law to spirit of the law and pragmatics to possibilities. The EDAP2014 grants of up to 3m for communities demonstrating economic distress may apply to Gloucester's current fishing industry circumstances, and could be used to finance our objectives. Construction and non-construction grants made under these programs are intended to "leverage regional assets to support the implementation of regional economic development strategies designed to create jobs, leverage private capital, encourage economic development." A short term goal is to open the communication paths between our advisory committee and City Operations regarding our discoveries. The grant deadlines are in March, June and October. More info about other broadband initiatives and the EDA grant are on the handout. (attached)

**Meeting:**

1. Vote to accept minutes from January 25, 2014 meeting.  
Approved unanimously.
2. Vote to accept minutes from February 8, 2014 meeting.  
Approved unanimously.
3. Elect position of secretary.  
The committee voted to have a rotating schedule for the secretary who will be responsible for keeping notes at each meeting.
4. Elect a chairperson.  
Bob nominated Karen, Geoff seconded the nomination and the committee voted unanimously.
5. The goals of the committee were discussed taking into account the information we have learned from the last 2 meetings.

1. Regarding the cable contract
  1. We have a a 30 month window to work on the city's cable contract.
2. Expanding options for community stakeholders
  1. What are the current issues facing our community's broadband needs?
    1. Quality of Service
      1. How can this be measured?
      2. Can we facilitate escalating issues that are not being resolved?
    2. We would like to foster development of an alternative broadband option.
      1. What political conversation do we need to be engaged in to move our goals forward.
      2. How can we help ensure that Massachusetts doesn't follow the lead of other states that have taken steps to limit competition?
      3. What grants are available to help build out infrastructure?
      4. What are the success stories we can emulate. How do other cities/states/ countries succeed and how do they fail. What can we learn from other's stories.  
Specifically South Korea, Toronto.
6. Reaching out to other Cape Ann & regional communities to see if there is interest in teaming up.
7. We also decided that we should make an appearance as the Harbor Planning Committee to encourage cooperation between our committees.

**Deliverables:**

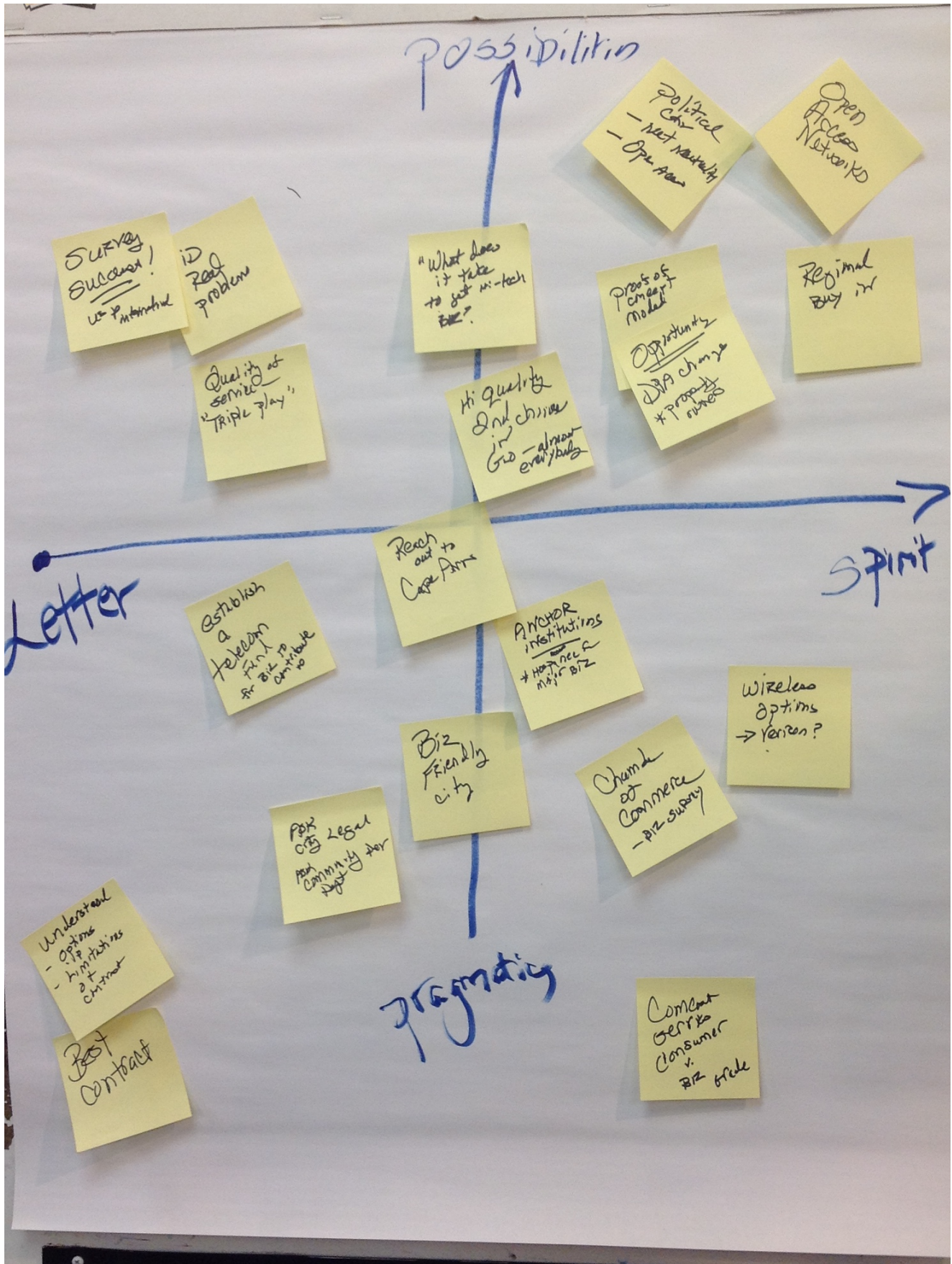
- Geoff: Fact Sheet
  - Who owns what
  - What is the current state of the cities network
  - What services are available
  - At what level is the infrastructure shared
  - What real infrastructure is available
    - Phones, internet, leased lines, etc...
- Karen: Reach out to the surrounding Cape ann communities for contacts
- Tom Requirements - Process for Requirements
  - How to not reinvent the wheel
- Ryan: Research success stories
  - What other municipalities have done
  - What is sustainable
  - What can we learn from other's mistakes
- Geoff: Google Fiber - How do we get interest.
- Grant: Dark Fiber that stops at the train bridge (w/assist from Steve Cefalo, telecom expert)
- Bob: Contact political parties about grant opportunities
- Karen: Find location and time at city hall Week of March 24th.

**Next Meeting:**

We agreed to tentatively schedule the next meeting during the week of March 24th at Gloucester City Hall in the evening. The agenda will be to report on our deliverables and continue planning.

**Adjournment:**

Unanimously voted to adjourn.



## **Cable TV Advisory Committee Handout**

22 Feb 2014

### **Fast Internet is Chattanooga's New Locomotive 3 Feb 2014, NY Times**

[http://www.nytimes.com/2014/02/04/technology/fast-internet-service-speeds-business-development-in-chattanooga.html?\\_r=0](http://www.nytimes.com/2014/02/04/technology/fast-internet-service-speeds-business-development-in-chattanooga.html?_r=0)

"Gig City," as Chattanooga is sometimes called, has what city officials and analysts say was the first and fastest — and now one of the least expensive — high-speed Internet services in the United States. For less than \$70 a month, consumers enjoy an ultrahigh-speed fiber-optic connection that transfers data at one gigabit per second. That is 50 times the average speed for homes in the rest of the country, and just as rapid as service in Hong Kong, which has the fastest Internet in the world.

### **How two cities brought fiber to the home when the carriers couldn't (Leverett, Mass. and Stockholm, Sweden) Jan 9, 2014 InfoWorld.com**

<http://www.infoworld.com/d/the-industry-standard/how-two-cities-brought-fiber-the-home-when-the-carriers-couldnt-233793?page=0,0&source=ssr>

A 2013 study ... found that [Stokab has generated about \\$2.3 billion in social and economic benefits](#), and it has long since paid off the loans used to build the network....(Leverett Mass) funded LeverettNet, a FTTH network operated by the public Municipal Light Plant utility; MLP operates independently of Leverett's political infrastructure and is required by state law to charge subscribers no more than the cost of providing service. The town will contract with third parties to operate the network and handle billing. The network will connect every household in Leverett, though individual homeowners don't have to subscribe if they don't want the service. The design and deployment cost is being covered by a \$3.6 million municipal bond. (Part of the MBI Mass 123 Project funded in 2010 w/BTOP grant monies.)

### **Comcast and Time Warner Cable: Forget TV, it is all about broadband**

Feb 12, 2014 Gigaom.com

<http://gigaom.com/2014/02/12/comcast-and-time-warner-cable-forget-tv-it-is-all-about-broadband/>

If it is allowed to gobble up its number two rival, Time Warner Cable, Philadelphia-based Comcast will become the largest broadband provider in the United States, and perhaps the largest outside China. Broadband is not only a much faster growing business, it also has higher gross margins and (is) a virtual monopoly....we are on the cusp of seeing a big inflation in internet access costs.

### **Big carriers go political to kill local broadband Feb 6, 2014 InfoWorld.com**

<http://www.infoworld.com/d/the-industry-standard/big-carriers-go-political-kill-local-broadband-235797>

In 2006, Wilson, North Carolina built a municipally owned fiber-to-the home network that offers television, telephone, and broadband services at relatively low cost.... In 2011, the (cable companies') lobbying effort paid off: The state legislature passed a bill making it nearly impossible for other communities to build their own broadband networks..... 18 other states also have yielded to lobbying efforts by cable and telecom giants and passed similar legislation.

### **When It Comes To High-Speed Internet, U.S. 'Falling Way Behind'**

Feb 6, 2014 NPR Fresh Air

<http://www.npr.org/blogs/alltechconsidered/2014/02/06/272480919/when-it-comes-to-high-speed-internet-u-s-falling-way-behind>

What's at stake is whether the new jobs, new ideas, new services of the 21st century will come from the United States or they'll come from Stockholm, Seoul, Beijing, where there are kids already playing in the virtual sandboxes of these very high capacity networks.

### **Big Questions In Comcast's Time Warner Takeover Bid - 17 Feb 2014 WBUR On Point**

<http://onpoint.wbur.org/2014/02/17/comcast-net-neutrality-fcc>

Merging the two largest cable & broadband providers in the US will "maximize shareholder value" but at what cost. Panel discussion.

### **EDAP2014, FY 2014 Economic Development Administration — Dept of Commerce \$\$**

<http://www.grants.gov/view-opportunity.html?oppld=248297>

A gating criteria is that the awards go to economically distressed areas as defined by unemployment & income levels. There also needs to be evidence of economic distress and job loss. This could apply to areas hard hit by fishing regulations. Grants up to \$3m awarded quarterly in 2014.



## **Cable TV Contract Considerations**

### **Standard Benefits from TV franchise negotiations include:**

1. increased franchise fee revenue by applying the franchise fee to all revenue sources,
2. a cash franchise grant,
3. free internet service to municipal buildings,
4. enforceable customer service standards,
5. a government access channel,
6. strong right-of-way protections.

### **Other Cable Renewal Considerations**

1. Right of Way Cost Recovery
  - Pro: Look at city actual right-of-way costs to ensure you are recovering your costs.
  - Con: Cable providers can pass cost to the consumer as an itemized fee on the cable bill.
2. Municipalities can assess up to 5 percent of a cable operator's gross revenue, and are allowed to take 5 percent of the franchise fee itself.
3. Negotiate as a region instead of separate municipalities.

**Social Benefit Clause:** Any municipal cable franchise agreement or ISP contract should include “social benefit clause.” Examples from a wireless contract:

1. Entire city covered, up to 98%.
2. Low income areas built first, with low internet fee for low income households, i.e.\$14.95 month for unemployed folks or senior citizens.
3. Guaranteed 5% of the population has free or low-cost access.
4. A hundred free wi-fi accounts available to non-profits for use in public areas.
5. Build non-profit computer labs and partner with Americorp
6. A percentage of the wireless income from the city goes to a community board of advisors who sit at a non-profit Foundation that accepts money. Board decides annually where the money goes. Funded 100% with private money from the vendor to benefit community.

Massachusetts Cable Licenses in electronic format

<http://www.mass.gov/ocabr/government/oca-agencies/dtc-lp/competition-division/cable-tv-division/municipal-info/cable-television-licenses.html>

### **Tips:**

Focus on Broadband ADOPTION, not just infrastructure.  
Leverage for social good.  
Consider workforce development.  
Address the “digital divide” regarding Internet access.